



## City of Lincoln Water Rate Study RFP 11172016

### Addendum 1

**Proposal Schedule Change:** Due to the Holidays the Final Date for Receipt of Proposals has been changed to December 22, at 3:00 PM. This change pushes out the Questions Period, Evaluation & Review, Notification of Results, City Council Approval, and the Start Date. Please see the new schedule below:

Event/Activity	Date
Distribution of RFP	November 17, 2016
Final Date to Submit Questions	December 15 at 3:00 PM
Final Date for Receipt of Proposals	December 22 at 3:00 PM
Evaluation & Review	December 23 Through January 4
Consultants Notified of RFP Results	January 5, 2017
City Council Approval	January 24, 2017 at 6:00 PM
Service Begins	January 25, 2017

### Answers to Questions Received to Date:

**Q. Can I get a copy of your current rates?**

A. Yes, the current rates are listed in the following pages below:





## City of Lincoln - Non-Residential Customers

### Water Rates

#### MONTHLY SERVICE CHARGE

Meter Size	Rates				
	1/1/2014	7/1/2014	7/1/2015	7/1/2016	7/1/2017
3/4"	\$ 23.40	\$ 26.91	\$ 30.95	\$ 34.35	\$ 38.13
1"	\$ 35.10	\$ 40.37	\$ 46.42	\$ 51.53	\$ 57.20
1 1/2"	\$ 117.01	\$ 134.56	\$ 154.75	\$ 171.77	\$ 190.66
2"	\$ 187.21	\$ 215.30	\$ 247.60	\$ 274.83	\$ 305.06
3"	\$ 374.43	\$ 430.59	\$ 495.18	\$ 549.65	\$ 610.12
4"	\$ 585.05	\$ 672.80	\$ 773.72	\$ 858.83	\$ 953.30
8"	\$ 1,664.10	\$ 1,913.72	\$ 2,200.78	\$ 2,442.87	\$ 2,711.58

#### VOLUMETRIC CHARGES

##### Non-Residential - 3/4 Inch Meter

Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 4.39	\$ 4.79	\$ 5.23	\$ 5.63	\$ 6.07
Tier 3	88,001 to 175,000	\$ 5.58	\$ 6.16	\$ 6.81	\$ 7.38	\$ 8.01
Tier 4	Over 175,000	\$ 6.69	\$ 7.43	\$ 8.28	\$ 9.01	\$ 9.82
Tier 5						

##### Non-Residential - 1 Inch Meter

Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	88,001 to 175,000	\$ 5.58	\$ 6.16	\$ 6.81	\$ 7.38	\$ 8.01
Tier 4	Over 175,000	\$ 6.69	\$ 7.43	\$ 8.28	\$ 9.01	\$ 9.82
Tier 5						

##### Non-Residential - 1 1/2 Inch Meter

Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	88,001 to 175,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	Over 175,000	\$ 6.69	\$ 7.43	\$ 8.27	\$ 9.01	\$ 9.82
Tier 5						





## City of Lincoln - Non-Residential Customers

Non-Residential - 2 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	88,001 to 175,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	175,001 to 280,000	\$ 4.08	\$ 4.69	\$ 5.40	\$ 5.99	\$ 6.65
Tier 5	Over 280,000	\$ 6.69	\$ 7.43	\$ 8.27	\$ 9.01	\$ 9.82

Non-Residential - 3 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	88,001 to 175,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	175,001 to 560,000	\$ 4.08	\$ 4.69	\$ 5.40	\$ 5.99	\$ 6.65
Tier 5	Over 560,000	\$ 6.69	\$ 7.43	\$ 8.27	\$ 9.01	\$ 9.82

Non-Residential - 4 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	88,001 to 175,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	175,001 to 875,000	\$ 4.08	\$ 4.69	\$ 5.40	\$ 5.99	\$ 6.65
Tier 5	Over 875,000	\$ 6.69	\$ 7.43	\$ 8.27	\$ 9.01	\$ 9.82

Non-Residential - 6 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	88,001 to 175,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	175,001 to 1,750,000	\$ 4.08	\$ 4.69	\$ 5.40	\$ 5.99	\$ 6.65
Tier 5	Over 1,750,000	\$ 6.69	\$ 7.43	\$ 8.27	\$ 9.01	\$ 9.82

Non-Residential - 8 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 35,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	35,001 to 88,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	88,001 to 175,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	175,001 to 2,485,000	\$ 4.08	\$ 4.69	\$ 5.40	\$ 5.99	\$ 6.65
Tier 5	Over 2,485,000	\$ 6.69	\$ 7.43	\$ 8.27	\$ 9.01	\$ 9.82





## City of Lincoln - Multi-Family Residential Customers

### Water Rates

#### MONTHLY SERVICE CHARGE

Meter Size	Proposed Rates				
	1/1/2014	7/1/2014	7/1/2015	7/1/2016	7/1/2017
3/4"	\$ 23.40	\$ 26.91	\$ 30.95	\$ 34.35	\$ 38.13
1"	\$ 35.10	\$ 40.37	\$ 46.42	\$ 51.53	\$ 57.20
1 1/2"	\$ 117.01	\$ 134.56	\$ 154.75	\$ 171.77	\$ 190.66
2"	\$ 187.21	\$ 215.30	\$ 247.80	\$ 274.83	\$ 305.06
3"	\$ 374.43	\$ 430.59	\$ 495.18	\$ 549.65	\$ 610.12
4"	\$ 585.05	\$ 672.80	\$ 773.72	\$ 858.83	\$ 953.30
8"	\$ 1,664.10	\$ 1,913.72	\$ 2,200.78	\$ 2,442.87	\$ 2,711.58

#### VOLUMETRIC CHARGES

##### Multi-Family Residential - 3/4 Inch Meter

Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	21,001 to 35,000	\$ 5.44	\$ 6.26	\$ 7.19	\$ 7.99	\$ 8.86
Tier 5	over 35,000	\$ 8.05	\$ 9.00	\$ 10.07	\$ 11.01	\$ 12.04

##### Multi-Family Residential - 1 Inch Meter

Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	21,001 to 88,000	\$ 5.44	\$ 6.26	\$ 7.19	\$ 7.99	\$ 8.86
Tier 5	over 88,000	\$ 8.05	\$ 9.00	\$ 10.07	\$ 11.01	\$ 12.04





## City of Lincoln - Multi-Family Residential Customers

Multi-Family Residential - 1 1/2 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	21,001 to 175,000	\$ 5.44	\$ 6.26	\$ 7.19	\$ 7.99	\$ 8.86
Tier 5	over 175,000	\$ 8.05	\$ 9.00	\$ 10.07	\$ 11.01	\$ 12.04

	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	21,001 to 280,000	\$ 5.44	\$ 6.26	\$ 7.19	\$ 7.99	\$ 8.86
Tier 5	over 280,000	\$ 8.05	\$ 9.00	\$ 10.07	\$ 11.01	\$ 12.04

Multi-Family Residential - 3 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	21,001 to 560,000	\$ 5.44	\$ 6.26	\$ 7.19	\$ 7.99	\$ 8.86
Tier 5	over 560,000	\$ 8.05	\$ 9.00	\$ 10.07	\$ 11.01	\$ 12.04

Multi-Family Residential - 4 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	21,001 to 875,000	\$ 5.44	\$ 6.26	\$ 7.19	\$ 7.99	\$ 8.86
Tier 5	over 875,000	\$ 8.05	\$ 9.00	\$ 10.07	\$ 11.01	\$ 12.04

Multi-Family Residential - 6 Inch Meter						
Rates - Per 1,000 Gallons						
	Gallons per Month	Jan. 1 2014	July 1 2014	July 1 2015	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.09	\$ 1.25	\$ 1.44	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 1.78	\$ 2.05	\$ 2.35	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 2.97	\$ 3.42	\$ 3.93	\$ 4.36	\$ 4.84
Tier 4	21,001 to 1,750,000	\$ 5.44	\$ 6.26	\$ 7.19	\$ 7.99	\$ 8.86
Tier 5	over 1,750,000	\$ 8.05	\$ 9.00	\$ 10.07	\$ 11.01	\$ 12.04





## WATER, SEWER, GARBAGE SERVICE RATES

Monthly Garbage Container Charges - Residential			
Customer Description	Effective Dates		
Single Family Residential	07/01/16	07/01/17	
	\$24.75	\$26.00	

Monthly Sewer Charges- Residential		
Single Family Residential	\$32.08	Current Monthly Rate

Monthly Water Service Charge			
Meter Size	Rates As Of:		
	07/01/16	07/01/17	
3/4"	\$34.35	\$38.13	
1"	\$51.53	\$57.20	

Volumetric Water Charges			
Single-Family Residential, All except Verdera Villages 13-17, 19 & 20			
	Rates per each 1,000 Gallons		
	Gallons per Month	July 1, 2016	July 1, 2017
Tier 1	0 to 5,000	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 4.36	\$ 4.84
Tier 4	21,001 to 35,000	\$ 7.99	\$ 8.86
Tier 5	over 35,000	\$ 11.01	\$ 12.04

Single-Family Residential, Verdera Village 20			
	Rates per each 1,000 Gallons		
	Gallons per Month	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 4.36	\$ 4.84
Tier 4	21,001 to 53,000	\$ 7.99	\$ 8.86
Tier 5	over 53,000	\$ 11.01	\$ 12.04

Single-Family Residential, Verdera Villages 13-17, 19			
	Rates per each 1,000 Gallons		
	Gallons per Month	July 1 2016	July 1 2017
Tier 1	0 to 5,000	\$ 1.60	\$ 1.78
Tier 2	5,001 to 14,000	\$ 2.61	\$ 2.90
Tier 3	14,001 to 21,000	\$ 4.36	\$ 4.84
Tier 4	21,001 to 88,000	\$ 7.99	\$ 8.86
Tier 5	over 88,000	\$ 11.01	\$ 12.04

Q. What firm performed the previous rate study?  
A. HF&H Consultants







**Q. In Appendix C to the proposal there is a blank for Hourly Rate. We will, of course, have several people working on the project, at different hourly rates. Can we just attach our rate schedule or do you want us to provide a listing of the people that will work on the project with their hour rates?**

A. The rate schedule would be fine.

**Q. When was the last rate study completed?**

A. October 2013

**Q. Are you looking for the consultant to prepare a scope of work in the proposal, or if you are just looking for qualifications? There is not a place for the scope of work listed in Section 4.0 Consultant Proposal Format, so I'm curious to know if a scope of work should be included and where to place it in the proposal.**

A. The City requests a scope of work and schedule that would serve as the basis for a contract.

**Q. What are the City's key issues that needed to be addressed in the rate study?**

A. The tiered structure

**Q. Are there concerns with the City's existing rate structure, or particular rate structures the City would like to consider in this study?**

A. We currently have 5 tiers, which have been questioned by residents.

**Q. What are the City's sources of water supply? If there are multiple sources, are there different costs for each?**

A. The City is within the PCWA service area, which currently provides our potable water. A portion of the City is within the NID service area, but does not yet have treatment facilities to provide potable water.

**Q. How many connections to the water system does the City have?**

A. Non-Residential = 332  
Multi-Family = 94  
Industrial = 6  
Residential = 17,677

**Q. What level of public involvement is the City planning for in this study?**

a. **Does the City plan to work with a citizen's committee or advisory group through this process?**

A. Yes, we will utilize a citizens committee.

b. **How many public meetings should we plan for in this study?**

A. Including citizen's committee, Finance Committee and the City Council public hearings – estimate is 6

**Q. What is the desired implementation date for new rates?**

A. Study completion prior to July 1<sup>st</sup>, with implementation of rates between July and September depending on the outcome.

**Q. Does the City want the rate consultant to prepare and/or mail the Proposition 218 notice as part of the process?**

A. City requests proposal for these services as a potential additional item.





**Q. There is no section of the RFP that asks for the scope of services. Is there a specific section in the proposal that the City wants the scope of services to be? Would it be under 4.4, in response to section 3.3.2?**

A. Answer: The scope of services is in section 6.0. If you would like to respond to the scope of services you can just attach another page at the end or reference it in a table of contents.

**Q. There is no section of the RFP that asks for a schedule. When would the City like new rates in effect so that we can propose a schedule? Is there a specific section in the proposal that the City wants the schedule to be? For example, under 4.4, in response to section 3.3.2?**

A. Considering this is a RFP, the firms should propose the schedule. Please outline the schedule your firm suggests. This can be attached as another page and referenced in a table of contents.

**Q. Please confirm that the City does not want a connection fee analysis, as this is not specifically asked for in the RFP.**

A. No, a connection fee analysis is not needed.

